



**AUDIT REPORT  
ON  
THE ACCOUNTS OF  
LOCAL GOVERNMENTS  
DISTRICT SHANGLA  
AUDIT YEAR 2018-19**

**AUDITOR GENERAL OF PAKISTAN**

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## ABBREVIATIONS AND ACRONYMS

AA	Administrative Approval
AD	Assistant Director
AIR	Audit and Inspection Report
AP	Advance Para
ADP	Annual Development Plan
AKRSP	Agha Khan Rural Support Program
BOQ	Bill of Quantity
B&R	Building & Roads
CCBs	Citizen Community Boards
C&W	Communication & Works
CDWP	Central Development Working Party
CPWA	Central Public Works Accounts
CPWD	Central Public Works Department
DAC	Departmental Accounts Committee
DC	Deputy Commissioner
DDO	Drawing & Disbursing Officer
DG	Director General
DHO	District Health Officer
DTL	Drug Testing Laboratory
EDO (E&SE)	Executive District Officer Elementary & Secondary Education
FD	Finance department
FY	Financial Year
GFR	General Financial Rules
GGDC	Government Girls Degree Collage
GGMS	Government Girls Middle School
GGPS	Government Girls Primary School
GI	Galvanized Iron
HPA	Health Professional Allowance
IPSAS	International Public Sector Accounting Standards
LGA	Local Government Act
LGE&RDD	Local Government Election & Rural Development
MCC	Medicines Co-Ordination Cell

NBP	National Bank of Pakistan
NC/VC	Neighbourhood Council/Village Council
TAC	Tehsil Accounts Committee
THQ	Tehsil Headquarter
TMA	Tehsil Municipal Administration
TMO	Tehsil Municipal Officer
PTC	Parent teacher Council

## **Preface**

Articles 169 and 170 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Sections-8 and 12 of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001 and Section-37 of Khyber Pakhtunkhwa Local Government Act 2013 require the Auditor General of Pakistan to conduct audit of the receipts and expenditure of Local Governments of each district of the Khyber Pakhtunkhwa.

The report is based on audit of the accounts of various Local Governments i.e. offices of District Government, Tehsil Municipal Administrations, Assistant Director Local Government Elections and Rural Development and Village Councils and Neighborhood Councils in District Shangla for the financial year 2017-18. The Director General of Audit, District Governments, Khyber Pakhtunkhwa conducted audit during 2018-19 on test check basis with a view to report significant findings to the relevant stakeholders. The main body of the audit report includes the systemic issues and significant audit findings. Relatively less significant issues are listed in the Annex-1 of the Audit Report. The audit observations listed in the Annex-1 shall be pursued with the Principal Accounting Officers at the DAC level. In all cases where PAO's do not initiate appropriate action, the audit observations will be brought to the notice of appropriate forum through the next year's Audit Report.

Audit findings indicate the need for adherence to the regularity framework besides instituting and strengthening internal controls to avoid recurrence of similar violations and irregularities.

The observations included in this Report have been finalized in the light of written replies of the departments. However in some cases departments did not submit written replies. DAC meetings were not convened despite repeated requests.

The Audit Report is submitted to the Governor, Khyber Pakhtunkhwa in pursuance of Article 171 of the Constitution of the Islamic Republic of Pakistan, 1973 read with Section 37 of Khyber Pakhtunkhwa Local Government Act, 2013, for laying before the appropriate legislative forum.

Dated:  
Islamabad

**(Javaid Jehangir)**  
**Auditor General of Pakistan**

## EXECUTIVE SUMMARY

The Director General Audit District Governments, Khyber Pakhtunkhwa carries out the audit of Local Governments of Khyber Pakhtunkhwa. Regional Directorate of Audit (RDA) Swat, on behalf of the DG Audit District Governments, Khyber Pakhtunkhwa carried out the audit of Local Governments of five districts namely Swat, Shangla, Dir Lower, Dir Upper and Chitral.

The Regional Directorate has a human resource of six officers and staff with a total of 1,518 man-days. The annual budget amounting to Rs 12.005 million was allocated to the office during financial year 2018-19. The office is mandated to conduct regularity (financial attest audit and compliance with authority audit) and performance audits of programs/ projects.

Local Governments of district Shangla consist of three tiers which perform their functions under Khyber Pakhtunkhwa Local Government Act 2013. Tier one, the District Government comprises one Principal Accounting Officer (PAO) i.e. Deputy Commissioner for the District Government, who is Officer in charge of the offices of nine departments devolved to local Governments. Financial provisions of the Act describe the Government fund as District Local Fund and District Public Account for which Annual Budget Statement is authorized by the District Council in the form of budgetary grants. The second tier- Town/Tehsil Municipal Administrations have one PAO i.e. Tehsil Municipal officer for each administration. There are two tehsil administrations in district Shangla. The third tier- Village and Neighborhood Councils have one PAO i.e. The Assistant Director Local Government, Elections and Rural Development Department for development funds of these councils. There are 106 NC/VC's in district Shangla.

### **a. Scope of audit**

There are ten offices in District government Shangla, two Tehsil Municipal Administrations, one AD LGE&RDD and 106 VC/NC's out of which the accounts of 10 offices of district government, two TMA's, one AD LGE &RDD and eleven VC/NC's were examined in detail. These entities were

selected for detailed audit keeping in view the materiality and auditable man days.

The total expenditure of District Government Shangla for the Financial Year 2017-18 was Rs 3108.248 million against available budget of Rs 3808.179 million. Out of this, RDA Swat audited an expenditure of Rs 714.897 million which, in terms of percentage, was 23% of auditable expenditure. The total expenditure of two TMA's was Rs 291.142 million against available budget of Rs 291.142 million. Out of this, RDA Swat audited an expenditure of Rs 66.96 million which, in terms of percentage, was 23% of auditable expenditure. The total expenditure of AD LGE & RDD Shangla for the Financial Year 2017-18 was Rs 84.666 million against available budget of Rs 111.347. Out of this, RDA Swat audited an expenditure of Rs 19.47 million which, in terms of percentage, was 23% of auditable expenditure.

The receipts of the District Government Shangla, for the Financial Year 2017-18 were nil as the receipts were collected in Provincial Account-I. The receipts of two TMA's were Rs 55.892 million Out of which Rs 27.946 million were audited which in terms of percentage was 50% of the auditable receipts. The total receipts of VC/NC's was Rs nil.

The total expenditure of local governments of district Shangla for the financial year 2017-18 was Rs 3484.52 million against which the audit of Rs 801.332 million was conducted which in terms of the percentage was 23%. The total receipts of the local governments of district Shangla were Rs 55.892 against which a receipt of Rs 27.946 was audited which in terms of percentage was 50%

**b. Recoveries at the instance of audit**

Recovery of Rs 27.486 million was pointed out during the audit. Out of the total recoveries pointed out, Rs 27.486 million was not in the notice of the executives before audit. However no recovery was made till finalization of this report.



### **c. Audit Methodology**

Audit was conducted after understanding the business processes of Local District Government Shangla with respect to their functions, control structure and key controls. This helped auditors in understanding the systems, procedures, environment of the audited entity before starting the audit. Audit used desk audit techniques for analysis of compiled data and review of actual vouchers called for scrutiny and substantive testing.

### **d. Audit Impact**

Audit pointed out various irregularities of serious nature. Cases related to weak internal controls were also pointed out to which management has been sensitized. In certain cases management has taken action which may further be verified. However, no tangible impact was visible as the management failed to reply and the irregularities could not come to the light in the proper forum i.e. DAC and proper legislative forum.

### **e. Comments on Internal Control and Internal Audit department**

The purpose of internal control system is to ensure effective operation of an organization. It consists of measures employed by the management to achieve objectives, safeguard assets; accuracy, timeliness and reliability of financial and accounting information for decision making.

Another basic component of internal control, as envisaged under section 37(4) of LGA 2013, is internal audit which was not found in place in the domain of local Governments Shangla.

**f. Key audit findings of the report**

- i. Irregularities & Non-Compliance were noted in 17 cases amounting to Rs 498.912 million.<sup>1</sup>
- ii. Weak Internal Control was noted in 14 cases amounting to Rs 66.324 million.<sup>2</sup>

Minor irregularities/ weaknesses pointed during the audit are being pursued separately with the authorities concerned, as detailed in Annex-1.

**g. Recommendations**

- i. Disciplinary actions need to be taken to stop the practice of violation of the rules and regulations in spending the public money.
- ii. Strenuous efforts need to be made by the departments to recover long outstanding dues on account of water charges.
- iii. Deduction of taxes on supplies and contracts need to be ensured. .
- iv. Lapsed deposits need to be timely credited into treasury.
- v. Departments need to strengthen internal controls i.e. financial, managerial, operational, administrative and accounting controls etc. to ensure that lapses of the kind reported in this audit report are preempted and fair value for money is obtained from public spending.

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<sup>1</sup> Para 1.2.1.1 to 2.1.1.10, 3.1.1.1 to 2.1.1.5 and 4.1.1.1 to 2.1.1.2,

<sup>2</sup> Para 2.1.2.1 to 2.1.2.9, 3.1.2.1 to 3.1.2.4 and 4.1.1.1

## SUMMARY TABLES & CHARTS

### I: Audit Work Statistics

(Rs in million)

S. No.	Description	No.	Budget		
			Expenditure	Receipts	Total
1.	Total Entities (PAO) in Audit Jurisdiction	3	3484.052	55.892	3539.944
2.	Total formations in audit jurisdiction	299	3484.052	55.892	3539.944
3.	Total Entities (PAO) Audited	3	801.332	27.946	829.278
4.	Total formations Audited	13	801.332	27.946	829.278
5.	Audit & Inspection Reports	13			

### II: Audit observations Classified by Categories

(Rs in million)

S. No.	Description	Amount Placed under Audit Observation
1.	Unsound asset management	-
2.	Weak financial management	498.912
3.	Weak Internal controls	66.324
4.	Others	0000
	<b>Total:</b>	<b>565.236</b>

### III: Outcome Statistics

(Rs in million)

S. No	Description	Expenditure on Acquiring Physical Assets (Procurement)	Civil Works	Receipts	Others	Total Current year (2017-18)	Total last year (2016-17)
1.	Outlays Audited		108.560	27.946	692.771	829.277	891.722
2.	Amount Placed under Audit Observations /Irregularities of Audit		305.00	0	257.236	562.236	292.339
3.	Recoveries Pointed Out at the instance of Audit		19.511	0	7.975	27.486	38.127
4.	Recoveries Accepted /Established at the instance of Audit						
5.	Recoveries Realized at the instance of Audit						

#### IV: Table of Irregularities pointed out

(Rs in million)

S. No.	Description	Amount Placed under Audit Observation
1.	Violation of Rules and regulations, principle of propriety and probity in public operation	498.912
2.	Reported cases of fraud, embezzlement, thefts and misuse of public resources.	0
3.	Accounting Errors (accounting policy departure from NAM <sup>3</sup> , misclassification, over or understatement of account balances) that are significant but are not material enough to result in the qualification of audit opinions on the financial statements.	0
4.	Quantification of weaknesses of internal control systems.	66.324
5.	Recoveries and overpayment, representing cases of establishment overpayment or misappropriations of public monies	0
6.	Non-production of record	0
7.	Others, including cases of accidents, negligence etc.	0
	<b>Total</b>	<b>565.236</b>

#### V: Cost Benefit Ratio

(Rs in million)

S.No	Description	Amount
1.	Outlays Audited (item 1 of Table 3)	829.277
2.	Expenditure on audit	0.750
3.	Recoveries realized at the instance of audit	0
	Cost-Benefit Ratio	1:0

<sup>1</sup> The Accounting Policies and Procedures prescribed by the Auditor General of Pakistan which are IPSAS (Cash).

## CHAPTER-1

### 1.1 Local Governments Shangla

#### 1.1.1 Introduction

Under Khyber Pakhtunkhwa Local Government Act 2013 (LGA 2013), activities of District Government are managed through offices of Deputy Commissioner and District Officers. Each group of District Offices is headed by a District Officer (DO). The DO according to Rules of Business of District Government, 2015 distributes the work among the officers, branches, and/or sections of each district office. The offices which manage the activities of District Government are Deputy Commissioner (DC), District Officers Agriculture, Education, Health, Water Management, Fisheries, Population Welfare, LG & RDD, Sports, Live Stock & DD, Soil Conservation, Cooperation, Social Welfare and Municipal Services.

District Shangla has two Tehsils i.e. Alpuri and puran. The office of a Tehsil Municipal Administration is managed by the Tehsil Municipal Officer. He is assisted by a Tehsil officer Finance. A Tehsil Accounts Officer and a Tehsil officer technical.

**According to section 22 of Local Government Act, 2013 the functions and powers of TMAs are as under:-**

- (a) Monitor and supervise the performance of functionaries of Government offices located in the Tehsil and hold them accountable by making inquiries and reports to the district government or, as the case may be, Government for consideration and action;
- (b) Prepare spatial plans for the Tehsil including plans for land use and zoning and disseminate these plans for public enquiry;
- (c) Execute and manage development plans for improvement of municipal services and infrastructure;
- (d) Exercise control over land-use, land-subdivision, land development and zoning by public and private sectors for any purpose, including for agriculture, industry, commercial markets, shopping centers; residential,

recreation, parks, entertainment, passenger and freight transport and transit stations;

- (e) Enforce municipal laws, rules and bye-laws;
- (f) Prevent and remove encroachments;
- (g) Regulate affixing of sign-boards and advertisements;
- (h) Provide, manage, operate, maintain and improve municipal services;
- (i) Prepare budget, long term and annual municipal development programmes;
- (j) Maintain a comprehensive data base and information system on services in the Tehsil municipal record and archives and provide public access to it on nominal charges;
- (k) Collect taxes, fines and penalties provided under this Act;
- (l) Organize sports, cultural, recreational events, fairs and shows;
- (m) Organize cattle fairs and cattle markets;
- (n) Co-ordinate and support municipal functions amongst village and neighborhood councils;
- (o) Regulate markets and services, issue licenses, permits, grant permissions and impose penalties for violation thereof;
- (p) Manage municipal properties, assets and funds;
- (q) Develop and manage schemes, including site development in collaboration with district government;

There is an Assistant Director Local Government Election & Rural Development Department and 106 VCs/NCs. Each VCs/NCs has a Administrator and Secretary. Assistant Director Local Government Election & Rural Development Department is Drawing and Disbursing Officer (DDO) for his office and Administrator for VCs/NCs of the District Shangla.

**Functions and powers of Assistant Director, Local Government Election and Rural Development Department.**

- i. Providing secretarial support to the Council
- ii. Matters relating to Local Government Commission
- iii. Matters relating to local taxes and local rate
- iv. Coordination and supervision of village and neighborhood councils

- v. Grants, establishment and budget of village and neighborhood councils
- vi. Coordination of activities relating to local council elections, population census and surveys in the district
- vii. Rural Development Works including water supply, rural access roads, embankment and drainage works
- viii. Overseeing registration of births, deaths and marriages in village and neighborhood councils
- ix. Working as interface for knowledge management and communication on local governance issues in the district
- x. Review, evaluation and assessment of local government system, processes and procedures in the district particularly at the village and neighborhood level
- xi. Collection, compilation and dissemination of primary data Training and research in the areas of local governance

**Functions and Powers of the Village Council or Neighborhood Council:**

- i. Functions of the village council and neighborhood council, as the case may be, shall be to:
- ii. Monitor and supervise the performance of functionaries of all government offices located in the area of the respective village council or neighborhood council, including education, health, public health engineering, agriculture, livestock, police and revenue, and hold them accountable by making inquiries and reports to the Tehsil municipal administration, district government or, as the case may be, the Government for consideration and action;
- iii. Provide effective forum for out of court amicable settlement of disputes and, for this purpose, constitute panels of members as conciliators;
- iv. Register births, deaths and marriages;
- v. Implement and monitor village level development works;
- vi. Improve water supply sources, maintain water supply distribution system and take measures to prevent contamination of water;



- vii. Maintain village level infrastructure, footpaths, tracks, streets, prevent and abate nuisances and encroachments in public ways, public streets and public places.
- viii. Maintain and improve collective property including playgrounds, graveyards, funeral places, eid-gah, parks, public open spaces and community centers;
- ix. Identify development needs of the area for use by municipal administration and district government in prioritizing development plans;
- x. Make arrangements for sanitation, cleanliness, disposal of garbage and carcasses, drainage and sewerage system;
- xi. Display land transactions in the area for public information;
- xii. Mobilize community for maintaining public ways, public streets, culverts, bridges and public buildings, de-silting of canals and other development activities;
- xiii. Develop sites for drinking and bathing of cattle;
- xiv. Organize cattle fairs and agriculture produce markets;
- xv. Organize sports teams, cultural and recreational activities;
- xvi. Organize watch and ward in the area;
- xvii. Promote plantation of trees, landscaping and beautification of public places;
- xviii. Regulate grazing areas, establish cattle ponds and provide protection against stray animals and animal trespass;
- xix. Consider and approve annual budget presented by the respective Nazim, village council or neighborhood council;
- xx. Facilitate formation of voluntary organizations for assistance in functions assigned to it;
- xxi. Facilitate the formation of co-operatives for improving economic returns and reduction of poverty;
- xxii. Elect an Accounts Committee and review its recommendations on the annual statement of accounts and audit reports; and
- xxiii. Report cases of handicapped, destitute and of extreme poverty to district government.

## 1.1.2 Comments on Budget and Accounts (Variance Analysis)

### District Government

(Rs in million)

2017-18	Budget	Actual Expenditure/ Receipts	(Saving)/Excess	%age
Salary	2969.947	2567.133	402.814	13.563
Non-salary	637.337	340.22	297.117	46.619
Developmental (A/C-IV)	200.895	200.895	0	0.000
Developmental (A/C-I)	0	0	0	0.000
<b>Total</b>	<b>3808.179</b>	<b>3108.248</b>	<b>699.931</b>	<b>18.380</b>
<b>Receipts</b>				<b>0.000</b>

### TMA's

(Rs in million)

2017-18	Budget	Actual Expenditure/ Receipts	(Saving)/Excess	%age
Salary	30.135	30.135	0	0.000
Non-salary	35.79	35.79	0	0.000
Developmental (A/C-IV)	225.217	225.217	0	0.000
Developmental (A/C-I)	0	0	0	0.000
<b>Total</b>	<b>291.142</b>	<b>291.142</b>	<b>0</b>	<b>0.000</b>
<b>Receipts</b>	<b>55.892</b>	<b>55.892</b>	<b>0</b>	<b>0.000</b>

### AD LGE&RDD

(Rs in million)

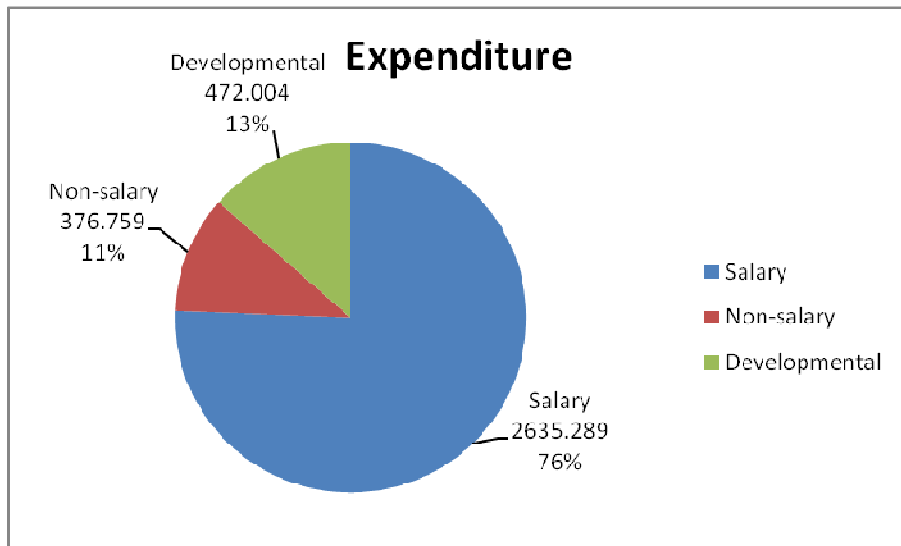
2017-18	Budget	Actual Expenditure/ Receipts	(Saving)/Excess	%age
Salary	38.464	38.021	(0.443)	-1.152
Non-salary	3.623	0.749	(2.874)	-79.327
Developmental (A/C-IV)	69.26	45.892	(23.368)	-33.740
Developmental (A/C-I)			0	0.000
<b>Total</b>	<b>111.347</b>	<b>84.662</b>	<b>(26.685)</b>	<b>-23.966</b>
<b>Receipts</b>				

**Grant Total Expenditure and Receipts (Distt Govt, TMAs, AD LGE&RDD)**

2017-18	Budget	Actual Expenditure/ Receipts	(Saving)/Excess	%age
Salary	3038.546	2635.289	-403.257	-13.271
Non-salary	676.75	376.759	-299.991	-44.328
Developmental (A/C-IV)	495.372	472.004	-23.368	-4.717
Developmental (A/C-I)	0	0	0	0.000
<b>Total</b>	4210.668	3484.052	-726.616	-17.257
<b>Receipts</b>	55.892	55.892	0	0.000

The savings of Rs 726.616 million indicate inefficiency in the capacity of District Government Departments to utilize the amount allocated.

**EXPENDITURE 2017-18  
(Rs in million)**



**1.1.3 Comments on the status of compliance with PAC/ DAC / TAC Directives**

The audit reports pertaining to following years have been submitted to the Governor of Khyber Pakhtunkhwa. Detail of PAC/DAC meetings are given below:

<b>Sr. No.</b>	<b>Audit Year</b>	<b>PAC/DAC/TAC meeting</b>
1.	2002-03	Not Convened
2.	2003-04	Not Convened
3.	2005-06	Not Convened
4.	2006-07	Not Convened
5.	2007-08	Not Convened
6.	2008-09	Not Convened
7.	2009-10	Not Convened
8.	2010-11	Not Convened
9.	2011-12	Not Convened
10.	2012-13	Not convened
11.	2013-14	Not Convened
12.	2016-17	Not Convened
13.	2017-18	Not Convened

# **DISTRICT GOVERNMENT**

## 1.2.1 IRREGULARITIES AND NON-COMPLIANCE

### 1.2.1.1 Irregular Purchase of furniture amounting to Rs70.030 million

According to Directives of the Peshawar High Court in its decision in written petition No 4091-9/2016 dated 7-12-16 the High Court Peshawar was observed with serious Concern that the department Concerned shall take care of the healthy competition between different entities, supplying material and would not make it practice nor precedent or deprive other competitors in the process of supply items, in future nor this be precedent for supply of the items from the same entity (SIDB), even if their record in supply is not healthy in matter of quality, quantity.

According to Rule-1 Chapter-II of KPPRA 2014, save as otherwise provided here in after and subject to the provisions of rule 10, the procuring entity shall use open competitive bidding as the principal method of procurement for the procurement of goods over the value of Rs. 100,000.

District Education Office (Male) Shangla incurred expenditure of Rs70,030,782 on account of purchase of Furniture in the financial year 2017-18. During scrutiny of record, it was observed that the local office awarded contract to Pak German Wood Works Mingora instead of inviting open tender to gain economy in the rates. Moreover, the rates of Pak German Wood Works Mingora for the financial year 2017-18 was 100% greater as compared to the last year rates which have caused loss to the public exchequer as well as violation of the Peshawar High Court Decision and KPPRA rules 2014. Detail is as under:

S.No	Items/Furniture	Numbers of items	Unit prices for 2017-18	Unit price for 2016-17	Increase	Total amount Rs
1	2 seaters Desk Bench (pair)	5865	9300	5902	3397	54,544,500
2	Teacher Chairs	4034	2773	00	00	11,186,282
3	Tablet Chair	1000	4300	2268	2032	4,300,000
			<b>Total</b>			<b>70,030,782</b>

Audit observed that irregular and uneconomical award of contract occurred due to violation of High Court Decision as well as KPPRA Rules 2014, which resulted in loss to government.

The irregularity was pointed out to the management in August 2018 which stated that the purchase of furniture was the decision of the purchase committee. Reply was not convincing as the purchase from single entity was not only the violation of KPPRA rules but also violation of Court Decision.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends inquiry into probable cause of irregularities and loss to Government.

**(AIR No.01, 2017-18)**

**1.2.1.2 Irregular /unverified expenditure on account of PTC and Other Developmental Fund Rs 178.815 million**

According to Office Order /sanction of DEO (Male) Shangla No 9294 10/5/18ct/2017-18 dated Peshawar16/2/18, the PTC fund should be utilized subject to the prescribed condition.

As per Government Guidelines regarding PTC funds, all the expenditure should be incurred with the proper approval of the Parents Teacher Council.

District Education Office (Male) Shangla transferred Rs 178,815,600 to PTC accounts under different heads to various schools in the financial year 2017-18. Detail is as under:

<b>S.No</b>	<b>Particular</b>	<b>Amount</b>
1	PTC Fund	17,200,000
2	Play area	3,463,500
3	Conditional Grants fund	155,429,600

4	ECCE	2,722,500
	<b>Total</b>	<b>178,815,600</b>

On scrutiny of record the following irregularities were observed.

1. Local office only transferred the funds to the schools and no follow up was carried out to know that the fund was properly utilized as per PTC guidelines as such record was not available in the local office.
2. The Secretary of PTC was required to maintain accounts of the expenditure in a simple cash book in the prescribed format as mentioned in the PTC guidelines, but copy of such accounts was not available to verify the expenditure.
3. The local office did not collect the stock register of the schools duly verified by the concerned head/in charges of the schools regarding the purchase/expenditure of fund.
4. The Cash book and allied detail of voucher & receipts duly verified and approved by the parents Teacher Council in the council meeting held on quarterly basis was not collected by the local office for verification purpose.
5. The local office did not collect any report regarding the construction of play areas that whether the play areas were made according to approved drawing, design and specification.
6. No Certificate in this regard has been obtained from the head/in charge of the concerned schools regarding the construction play area, Construction of additional class rooms that such facilities were not carried out under any other schemes.
7. The progress of work and report of utilization of fund was also not available on the record of the local office
8. The progress report of the expenditure on civil work was not available to verify that the expenditure was mad on market based and by exercising general financial procedure.
9. No Reconciliation of the utilized fund was carried out which also create doubts about the expenditure.



10. PC-1 was not prepared by the local office for the construction of additional class rooms from conditional grants fund.
11. Report of the socio engineering regarding availability of space for the construction of additional class room from conditional grants fund was also not available. in the absence of such report the transfer of Conditional grants to school was un justified.
12. Sanction of the competent authority was not obtained for the expenditure incurred under head ECCE.

Audit observed that irregular and unverified expenditure occurred due to violation and non compliance of rules.

The irregularity was pointed out to the management in August 2018 which stated that the expenditure was made according to the PTC Rules and policy and the relevant record would be collected from the schools and would be produced to audit. The reply was not tenable.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends inquiry into non fulfillment of codal formalities and actual utilization of the funds.

**(AIR No.02, 2017-18)**

### **1.2.1.3 Irregular expenditure on account of purchase of Computer Rs2.5 million**

According to Para 5(vii) b Note 2 of the delegation of power2001 for purchase of computer or laptops, a representative of IT board not having conflict of interest may be associated for expert opinion.

District Education Office (Male) Shangla incurred expenditure of Rs2,500,000 on account of purchase of Laptops for onward distribution among

the outstanding students of high school in the financial year 2017-18. During scrutiny of record the following observation were raised.

1. The local office did not obtain expert opinion from IT board for the purchase of computers/laptops.
2. The expenditure was incurred without obtaining sanction of the competent authority.
3. The supplying firm was not registered with the KP revenue authority and has no register office.
4. Satisfactory completion report was also not available on the record of the local office
5. Report regarding specification was not given by the experts.
6. Nothing was available about the firm experience, capital, technical skill and staff availability.
7. The amount was not directly transferred to the vender account.

Audit observed that irregularity occurred due to non compliance of rules, which resulted in violation of Government orders.

The irregularity was pointed out to the management in August 2018 which stated that there is no IT board in District Shangla. Reply was not convincing. The expert opinion was required to be obtained from the IT board Peshawar but the local office failed to do so.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends inquiry into the probable case of irregularity and action against the person at fault.

**(AIR No.05, 2017-18)**

#### **1.2.1.4 Irregular Purchase of Vehicles Rs 9.82 million.**

According to Para 3 of the Finance Department KPK letter No BO.1/FD-15-8/2017-18 complete ban have been imposed on the purchase of new vehicles. According to Para 11 of the delegation of power 2001, the strength of Vehicles in the department has been sanctioned by the Finance Department and the replacement is require for keeping up the sanction strength.

Deputy Commissioner Shangla incurred expenditure of Rs9,822,755 on account of purchase of 2 Nos of vehicles during 2017-18 on scrutiny of record the following observation were pointed out.

1. Ban relaxation/sanction was not obtained from the Finance Department.
2. The Official vehicle exists already for the official duties of the planning Officer as evident from the POL expenditure.
3. The Officer was entitled for 1300 CC Car, but the local office purchase heavy duty Suzuki Vitara jeep. Hence not only the purchase was irregular but loss was also sustained by the Government due to unauthorized specs.

Audit observed that irregular payment occurred due violation of government rules causing loss to Government.

The irregularity was pointed out to the management in July 2018 which stated that the detail reply will be given after scrutiny of record. Reply was not convincing as no evidence was produced to audit.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends inquiry into probable cause of irregularity and action against persons at fault.

**(AIR No.04, 2017-18)**

**1.2.1.5 Unauthentic /Irregular expenditure on account of feeding charges Rs 7.018 million**

According to Para 10 (i) of GFR Volume-I, every public officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys, as a person of ordinary prudence would exercise in respect of expenditure of his own money.

Deputy Commissioner Shangla paid Rs7,018,460 to District Police Officer Shangla on account of feeding and POL charges for the polio vaccination campaign duty. On scrutiny of record the following short coming were pointed out were not available on the record of the local office:

- i. Expenditure vouchers of the utilized funds
- ii. Name, parentage and address of the recipients.
- iii. CNIC No along with photo copy of CNIC.
- iv. Detail of amount spent per head.
- v. Cell No of recipients.
- vi. Signature and thumb impression of recipients.
- vii. Signature of the officer who made the payments
- viii. List of Driver/owners of the private transport who were engaged for the duty along with their photo copy of CNIC and contact Number.

Audit observed that unauthentic and irregular expenditure occurred due to violation of rules.

The irregularity was pointed out to the management in July 2018 which stated that the detail reply will be given after scrutiny of record. Reply was not convincing as no evidence was produce to audit.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends inquiry into the probable case of irregularities and action against persons at fault.

(AIR No.05, 2017-18)

**1.2.1.6 Irregular Purchase of furniture amounting to Rs10.483 million**

According to Directives of the Peshawar High Court in its decision in writtenpetitionNo4091-9/2016 dated 7-12-16 the High Court Peshawar was observed with serious Concern that the department Concerned shall take care of the healthy competition between different entities ,supplying material and would not make it practice nor precedent o deprive other competitors in the process of supply items, in future nor this be precedent for supply of the items from the same entity (SIDB),even if their record in supply is not healthy in matter of quality, quantity.

According to Rule-1 Chapter-II of KPPRA Rules 2014, save as otherwise provided here in after and subject to the provisions of rule 10, the procuring entity shall use open competitive bidding as the principal method of procurement for the procurement of goods over the value of Rs. 100,000.

District Education Office (Female) Shangla incurred expenditure of Rs10,483,150 on account of purchase of Furniture in the financial year 2017-18. During scrutiny of record it was observed that the local office awarded contract to Pak German Wood Works Mingora instead of inviting open tender to gain economy in the rates. Moreover, the rates of Pak German Wood Works Mingora for the financial year 2017-18, were 100% greater as compared to the last year rates. Detail is as under:

S.No	Items/Furniture	Numbers of items	Unit prices for 2017-18	Unit price for 2016-17	Increase	Total amount (Rs)
1	2 seaters Disk Bench (pair)	800	9300	5902	3397	7,440,000
2	Teacher Chairs	350	2773	00	00	970,550

3	Tablet Chair	482	4300	2268	2032	2,072,600
<b>Total</b>						<b>10,483,150</b>

Audit observed that irregular uneconomical award of contract occurred due to violation of High Court Decision as well as KPPRA Rules 2014, which resulted in loss to government.

The irregularity was pointed out to the management in August 2018 which stated that the purchase of furniture was the decision of the purchase committee. Reply was not convincing as the purchase from single entity was not only the violation of KPPRA rules but also violation of Court Decision.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends inquiry into probable cause of irregularities and loss to Government.

**(AIR No.01, 2017-18)**

#### **1.2.1.7 Non Utilization of Developmental Fund Rs 41.062 Million**

GFR-23 requires that every government officer will be held personally responsible for any loss sustained to government through negligence or fraud on his part or on the part of his subordinate staff.

District Education Officer (Female) Shangla transferred developmental funds Rs 41,062,755 to various PTC accounts during the financial year 2017-18. On scrutiny of record it was observed that funds were not utilized for the purpose for which funds were released during the stipulated period of time. The fund was lying in the PTC accounts of the schools and the supervisory staff i.e. DEO, SDEO and ASDEO who also drew supervisory allowance per month from the Government treasury besides her salaries, did not monitor the utilization of such fund and no feedback was obtained by the officers regarding the utilization

of funds. Thus the non utilization of fund leads towards the weak performance of the officers. Detail as per Annexure.2

Audit observed that non utilization of fund occurred due to violation of rules, which resulted in blockage of Government money.

The irregularity was pointed out to the management in August 2018 but the management did not respond to the observation.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends inquiry and disciplinary action against the persons at fault .

**(AIR No.03, 2017-18)**

**1.2.1.8 Unauthentic/ irregular transfer of students stipend Rs15.25 million**

According to Government of Khyber Pakhtunkhwa Elementary and Secondary Education Department No.DPC/E&SED/Stipend/Adv/2017-18 dated December 2017Relevant record of the Disbursement must be maintained at all School, circle offices and at the DEO offices for further references audit and accounting purpose.

District Officer Education(Female) Shangla drew Rs.15,258,015 during the financial year 2017-18 on account of stipend, which were transferred/granted to 4499 students of class 6<sup>th</sup> to 8<sup>th</sup> class @ Rs 1200 and 9<sup>th</sup> to 10<sup>th</sup> @ Rs 3000 per student of the District through Post Master General. On scrutiny of record it was observed that actual payees receipts duly signed by the students and counter signed by the Principals/HMs were available and/or arranged from the Post Master General, which created doubt regarding the drawl and disbursements.

Audit observed that irregular and unauthentic expenditure occurred due to violation of Government instructions.

The irregularity was pointed out to the management in August 2018, but it did not respond to the observation.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends inquiry into probable cause of irregularities and action against the persons at fault.

**(AIR No.04, 2017-18)**

**1.2.1.9 Irregular /unverified expenditure on account of PTC and Other Developmental Fund Rs 27.880 million**

As per Government Guidelines regarding PTC funds, all the expenditure should be incurred with the proper approval of the Parents Teacher Council.

District Education Office (Female) Shangla transferred Rs27,880,900 to PTC accounts under different heads to various schools in the financial year 2017-18. Detail is as under:

<b>S.No</b>	<b>Particular</b>	<b>Amount (Rs)</b>
1	PTC Fund	5,600,000
2	ECCE	562,500
3	Conditional Grants fund	21,718,400
	<b>Total</b>	<b>27,880,900</b>

On scrutiny of record the following observation was raised.

- 1) As per Government Guidelines regarding PTC funds, all the expenditure should be incurred with the proper approval of the parents Teacher Council. But the local office only Transfer the fund to the school and no follow up was carried out to know that the fund was properly utilized as



per PTC guidelines as such record was not available on the record of the local office.

- 2) The Secretary of PTC was required to maintain accounts of the expenditure in a simple cash book in the prescribed format as mentioned in the PTC guidelines, but copy of such accounts was not available to verify the expenditure.
- 3) The local office did not collect the stock register of the schools duly verified by the concerned head/in charges of the schools regarding the purchase/expenditure of fund.
- 4) The Cash book and allied detail of voucher & receipts duly verified and approved by the parents Teacher Council in the council meeting held on quarterly basis was not collected by the local office for verification purpose.
- 5) The local office did not collect any report regarding the construction of play areas that whether the play areas were made according to approved drawing, design and specification.
- 6) No Certificate in this regard has been obtained from the head/in charge of the concerned schools regarding the construction play area, Construction of additional class rooms that such facilities were not carried out under any other schemes.
- 7) The progress of work and report of utilization of fund was also not available on the record of the local office
- 8) The progress report of the expenditure on civil work was not available to verify that the expenditure was mad on market based and by exercising general financial procedure.
- 9) No Reconciliation of the utilized fund was carried out which also create doubts about the expenditure.
- 10) PC-1 was not prepared by the local office for the construction of additional class rooms from conditional grants fund.
- 11) port of the socio engineering regarding availability of space for the construction of additional class room from conditional grants fund was also not available. in the absence of such report the transfer of Conditional grants to school was un justified.

12) Sanction of the competent authority was not obtained for the expenditure incurred under head ECCE.

Audit observed that irregular and unverified expenditure occurred due to violation of rules.

The irregularity was pointed out to the management in August 2018 stated that the expenditure was incurred according to Government Policy and PTC Guidelines. Reply was not convincing as no evidence was produce to verify the expenditure

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends inquiry into probable cause of non fulfillment of codal formalities.

**(AIR No.06, 2017-18)**

**1.2.1.10 Irregular and unverified expenditure on account of purchase of Machinery and Equipments Rs10.212 million**

Para 148 of General Financial Rules (GFR) Vol.-I provides that all material received should be examined, counted, measured, weighed as the case may be, when delivery is taken, and they should be taken on charge by a responsible government officer who should see that quantities are correct and their quality is good, and record a certificate to that effect.

District Health Officer Shangla incurred expenditure of Rs10,212,178 on account of purchase of Machinery and Equipments in the year 2017-18. During audit it came to notice that the inspection of such valuable machinery was not carried out by the Workshop Engineer to ascertain the standard of the machinery. Thus in the absence of such Inspection Report proper utilization of funds on the purchase of Machinery and Equipments cannot be certified. Moreover, such machinery were still lying in the store un installed till the date of audit depriving

the local people of the facility of such machinery on one hand and putting the Government into a loss by keeping it idle and unutilized on the other hand. detail as per annexure:3

Audit observed that non installation and inspection occurred due to violation of rules and resulted in loss to government.

The irregularity was pointed out to the management in August 2018, the Management stated that the detail reply will be given after scrutiny of record. Reply was not convincing as no evidence was produced to audit.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends inquiry in to the probable cause of non inspection and installation of machinery.

**(AIR No.02, 2017-18)**

## 1.2.2 Internal Control weakness

### 1.2.2.1 Loss to Government due to payment of salary on fake/bogus degrees -Rs 13.53 million

Para 23 of GFR Vol.-I states that every Government officer is personally responsible for any loss sustained by Government through fraud or negligence either on his part or on the part of his subordinate staff.

District Health Officer Shangla paid Rs 13,531,392 on account of pay and allowance to various doctors who performed their duties in various health units in 2017-18. During scrutiny of record it came to notice that the local office checked/verified the degrees of these doctors from PM&DC web site which was found bogus/fake as no record was available on the PM&DC website. In spite of this the local office paid the salary regularly and only show cause notices were issued to the medical officers. The employees are still performing their duties and drew salaries which need justification. Detail is as under:

Name Designation	Salary per month	Period	Total amount (Rs)
Mohammad Zia ur rehman MO	140952	12	1,691,424
Nisar Khan	140952	12	1,691,424
Fazal Ahad	140952	12	1,691,424
Riaz Ahmad	140952	12	1,691,424
Waheed Iqbal	140952	12	1,691,424
Khalid Khan	140952	12	1,691,424
Rozi Shah	140952	12	1,691,424
Kamran Khan	140952	12	1,691,424
<b>Total</b>			<b>1,3531,392</b>

Audit observed that such payment occurred due to the negligence of the controlling officer and weak internal control, which resulted in loss to government.

The irregularity was pointed out to the management in August 2018 which stated that the detail reply will be given after scrutiny of record. Reply was not convincing as no recovery was made from the doctors.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery of the amount besides taking action against the persons at fault.

**(AIR No.03, 2017-18)**

**1.2.2.2 Loss to Government due to excess allocation on account of Construction of Additional Class Rooms Rs 4.40 million**

According to Release letter No. SO(B&A)1-6/16-17/CG. Releases dated Peshawar 2/8/2016 for the construction of additional class room Rs 800,000 were allowed.

District Education Office (Male) Shangla transferred Rs 4,403,100 in excess on account of fund for the construction of additional class rooms from the prescribed rate during the financial year 2017-18. As per government policy Rs 800,000 was fixed for the construction of additional class rooms in the schools but the local office transferred more than the prescribed rate which was clear violation of the above mentioned criteria, which need immediate recovery detail as per Annexure.4

Audit observed that unverified and irregular expenditure occurred due to weak internal control which resulted in violation of government rules.

The irregularity was pointed out to the management in August 2018 which stated that the expenditure was made according to the PTC policy and the relevant record will be collected from the school and will be produced to audit. Reply was not convincing no record was collected from school for audit purpose.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends inquiry into the probable cause of excess payment and violation of government policy

**(AIR No.03, 2017-18)**

**1.2.2.3 Loss to Government due to non deduction of income tax  
Rs3.013 Million**

According to FBR income tax slab for salaries persons where the taxable income exceed Rs 125000 per month but does not exceed Rs 150,000 rate of tax is Rs 95000 +15% of the amount exceeding Rs 150000.

District Education Officer (Male) Shangla paid Rs 29,154,531 on account of salaries to newly appointed teachers in the financial year 2017-2018. During scrutiny of record of pay and allowances, it was observed that the income tax amounting to Rs 3,013,432 was not deducted from the salaries Detail as per annexure: 5

Audit observed that non deduction of income tax occurred due to weak financial control which resulted in loss to government.

The irregularity was pointed out to the management in August 2018 which stated that the District Shangla comes in tax free zone. Reply was not convincing as income tax is already being deducted from the salaries of employees in the District.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends immediate recovery from the concerned teachers and action against the person at fault.

**(AIR No.04, 2017-18)**

**1.2.2.4 Non Utilization of Developmental fund due to weak performance of the Supervisory Officers - Rs 7.068 Million**

GFR-23 requires that every government officer will be held personally responsible for any loss sustained to government through negligence or fraud on his part or on the part of his subordinate staff.

District Officer Education (M) Shangla transfer Rs 7,068,865 to Bank accounts of various school under various heads of budgetary funds during the financial year 2017-18. On scrutiny of record it was observed that such funds were not utilized for the purpose for which funds were released during the stipulated period of time. The non utilization of such hung fund leads towards the weak performance of the officers. Detail as per annexure:6

Audit observed that non utilization of fund occurred due to lack of interest in her duties and weak performance of the officers the fund was not utilized so far, which resulted in blockage of Government money.

The irregularity was pointed out to the management in August 2018 but did not respond to the observation.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends to report the matter to higher ups for enquiry and Disciplinary action against the persons at fault.

**(AIR No.06, 2017-18)**

**1.2.2.5 Overpayment on account of compulsory acquisition of land – Rs 7.073 million**

Section 18(1) of Land Acquisition Act 1894 provides that any person interested who has not accepted the award may, by written application to the

collector, require that the matter be referred by the collector for the determination of the Court, whether his objection be to the measurement of the land, the amount of the compensation, the person to whom it is payable or the apportionment of the compensation among the persons interested.

According to section 23(2) of Land Acquisition Act 1894, "in addition to the market value of the land as above provided, the court shall in every case award a sum of 15% on such market value, in consideration of the compulsory nature of the acquisition".

Deputy Commissioner Shangla paid an amount of Rs 47,159,701 on account of acquisition of land from various owners and overpaid thereon Rs 7,073,958 as 15% compulsory acquisition charges during 2017-18. Audit observed the following points that:

1. Compulsory acquisition charges were allowed at initial stage of acquisition.
2. No written objection, obstruction, refusal or appeal made to the Collector/Court by the owner.
3. 15% compulsory acquisition charges shall be allowed by the court under section 23(2) of the Act, not by the other authority. Under section 3(d) of the Act "Court" means an additional District Judge is judge of **Principal Civil Court** of original jurisdiction, an Additional District Judge, like the District Judge himself, is a judge of such court, and as such he competent to hear and dispose of the reference under the Land Acquisition Act which are over to him for disposal by the District Judge. The expression "Court" does not include Collector.
4. The cases was neither referred to Court nor any proceeding was undertaken/carried out under section 20(a) & (b) mentioned in the criteria. Detail of compulsory acquisition. Detail is as under:



S.No	Particulars	Cost of Land	15% compulsory Charges (Rs)
1	Up Gradation of BHU Martung	640,000	96,000
2	Purchase of Land for Karora Hydropower project	21,578,938	3,236,840
3	Construction of Gandaw Alpuri Bridge	3,908,360	586,254
4	Purchase of Land for Construction of BHU Damorai	10,761,720	1,614,258
5	Purchase of land for shingle Road in Mineral Bearing Area Shapur	10,270,683	1540606
	<b>Total</b>	<b>47,159,701</b>	<b>7,073,958</b>

Audit observed that the irregularity was occurred due to weak financial control, which resulted in loss to Government.

The irregularity was pointed out to the management in July 2018 which stated that the detail reply will be given after scrutiny of record. Reply was not convincing as no evidence was produced to audit.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends to recovery of the overpayment.

**(AIR No.01, 2017-18)**

#### **1.2.2.6 Non deduction of stamp duty and non transfer 2% Prosperity tax -Rs.1.414 million**

Para 26 of GFR Vol-I requires that it is the duty of the Departmental Controlling Officer to see that all sums due to Government are regularly and promptly assessed, realized and duly credited in the Public Account.

Deputy Commissioner Shangla paid Rs 47,159,701 on account of land acquisition during 2017-18. On scrutiny of record it was observed that neither 2% property tax amounting to Rs 943,212 was transferred to TMA account nor stamp

duty 1% of the total cost amounting to Rs 471,595 was deducted. Detail is as under:

S.No	Particulars	Cost of Land	1% Stamp duty	2% Property tax (Rs)
1	Up Gradation of BHU Martung	640,000	6,400	12,800
2	Purchase of Land for Karora Hydropower project	21,578,938	215,789	431,597
3	Construction of Gandaw Alpuri Bridge	3,908,360	39,083	78,167
4	Purchase of Land for Construction of BHU Damorai	10,761,720	107,617	215,234
5	Purchase of land for shingle Road in Mineral Bearing Area Shapur	10,270,683	102,706	205,414
	<b>Total</b>	<b>47,159,701</b>	<b>471,595</b>	<b>943,212</b>

Audit observed that non transfer of property tax and non deduction of stamp duty occurred due to weak financial control which resulted in loss to government.

The irregularity was pointed out to the management in July 2018 which stated that the detail reply will be given after scrutiny of record. Reply was not convincing as no evidence was produced to audit.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends that the realized amount may be adjusted under the relevant heads and the amount of stamp duty may be recovered and deposited under the relevant head.

**(AIR No.02, 2017-18)**

#### **1.2.2.7 Loss to Government on account of payment of 6% interest on land compensation - Rs 1.294**

According to Para 10 (i) of GFR Volume-I, every public officer is expected to exercise the same vigilance in respect of expenditure incurred from

public moneys, as a person of ordinary prudence would exercise in respect of expenditure of his own money.

Deputy Commissioner Shngla paid Rs1294736 on account 6% interest to the land owner on land compensation during 2016-17.on scrutiny of record it was observed that the payment of interest was made without any provision in law, thus the payment of interest was unjustified which need justification.

Audit observed that the payment of interest was occurred due to weak internal control which resulted in loss to government.

The irregularity was pointed out to the management in July 2018 which stated that the detail reply will be given after scrutiny of record. Reply was not convincing as no evidence was produce to audit.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends inquiry into the probable case of loss to government.

**(AIR No.03, 2017-18)**

#### **1.2.2.8 Non-supply of medicine 1.088 million**

Treasury Rule 290 provides that no money shall be drawn from the treasury unless it is required for immediate disbursement. It is not permissible to draw money from the treasury in anticipation of demands or to prevent the lapse of budget grants.

District Health, Officer Shngla drew Rs1088330 from Government treasury on account of purchase of medicines and equipments during 2017-18. On scrutiny of record it was observed that the local office placed supply orders to various firms for supply of medicines but the firms failed in supply of medicine so for. Detail is as under:

<b>Name of Firm</b>	<b>Date of supply order</b>	<b>Amount (Rs)</b>
Unsia phrama	23/5/2018	393,600
Frontier destorex	21/6/2018	219,330
Mass Phrama	20/4/2018	50,000
B Burn	22/6/2018	28,000
Al ahmad Enterprise	21/6/2018	287,400
Vega phrama	12/12/2017	110,000
	<b>Total</b>	<b>1,088,330</b>

Audit observed that non-supply of Medicine and equipments was occurred due to weak internal/administrative which deprived the public of the locality from the basic health facilities.

The irregularity was pointed out to the management in August 2018, but did not furnished reply.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends inquiry for fixing responsibility and deposit of withdrawn amount in the treasury.

**(AIR No.05, 2017-18)**

#### **1.2.2.9 Loss to Government due to non Deduction of income tax Rs.1.103 million**

Section 153 (1) of the income ordinance, 2001 provides that every prescribed person making a payment in full or part including a payment by way of advance to resident person or permanent establishment in Pakistan of a non resident person shall at the time of making in payment deduct tax from the gross amount payable at the rate specified in Division –III of the first schedule @ 4.50% in case of NTN holding suppliers.

District Health Officer Shangla paid Rs23,437,861 on account of purchase of medicine and equipments from various suppliers during 2017-18. But Income Tax @ 4.5% amounting to Rs1,103,063 was not deducted from the suppliers. Detail as per annexure: 7

Audit observed that non deduction of income tax occurred due to weak internal control, which resulted in violation of Government orders.

The irregularity was pointed out to the management in August 2018 which stated that the detail reply will be given after scrutiny of record. Reply was not convincing as neither reply was furnished nor recovery was made from the suppliers.

Request for convening DAC meeting was made on 13<sup>th</sup> September 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery besides fixing responsibility.

**(AIR No.01, 2017-18)**

# **TMA'S ALPURI & PURAN**

### 1.3.1 Irregularities and Non-Compliances

#### 1.3.1.1 Irregular award of contracts due to overwriting in tenders - Rs 14.950 million

According to S. No.11 of NIT conditions advertised on 03-04-2017, any disfiguring/overwriting, manipulation in the tender shall be liable to cancellation.

TMO Alpuri awarded four (04) developmental works amounting to Rs 14,950,000 during the financial year 2017-08. During scrutiny of record, it was observed that the contractor's offered rate was manipulated and overwriting was made which shows malafide. Thus, the award of contracts was held irregular. Detail is as under:

S. No.	Name of work	Amount (Rs)
01	Package No. 10 VC Alpuri	3,100,000
02	Package No. 16 VC Buner Wall	2,800,000
03	Package No. 09 VC Dherai	4,700,000
04	Package No. 24 VC Butyal	4,350,000
<b>Total</b>		<b>14,950,000</b>

Audit observed that the irregularity occurred due to violation of rules.

When pointed out in December 2018, Management stated that detailed reply would be submitted after scrutiny of record.

Request for convening DAC meeting was made in December 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends to conduct inquiry into the matter for action against the person(s) at fault.

**(AIR NO 2 2017-18)**

#### 1.3.1.2 Irregular payment without tender– Rs 2.930 million

According to Rule 10(C) KPPPRA Rules 2014, a procurement entity shall only engage in alternate method if the following conditions exist, namely:

(i) repeat orders within a period of six months provided that it does not exceed fifteen percent of the original contract value.

TMO Alpuri awarded two (02) works with estimated cost of Rs 15,250,000 during the financial year 2017-08. During scrutiny of record, it was observed that Rs 18,180,521 were paid to the contractors which were 18.159% and 20.226% above of the estimated cost. The local office was required to re-tender the work as only 15% was allowed on the original contract as per KPPRA Rules 2014 or to recover the excess amount paid to the contractors. Detail is as under:

		Column # 1	Column # 2	Column # 3	Column # 4
S. No.	Name of work	Estimated cost	Amount paid (Rs)	Difference	%age above 3 x 100/ 1)
01	Package No. 18 VC Chakisar-II	7,450,000	8,802,857	1,352,857	18.159
02	Package No. 17 VC Chakisar-I	7,800,000	9,377,664	1,577,664	20.226
<b>Total</b>		<b>15,250,000</b>	<b>18,180,521</b>	<b>2,930,521</b>	

Audit observed that the irregularity occurred due to non compliance of rules, which resulted in loss to Government.

When pointed out in December 2018, Management stated that reply would be furnished after scrutiny of record.

Request for convening DAC meeting was made in December 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends to recover the amount from the contractor and action against the person(s) at fault.

**(AIR NO.5 &6 2017-18)**



**1.3.1.3 Irregular expenditure without Technical Sanction –Rs 153.08 million**

According to Para 2.4 of B&R Department Code, no work shall be started without administrative approval, technical sanction and allotment of funds.

Tehsil Municipal Officer Puran incurred an expenditure of Rs 153,087,587 on various developmental schemes during 2017-18 without obtaining technical sanction from the competent authority as detailed in Annex-:9

Audit observed that irregularity occurred due to violation of government rules.

When pointed out in December 2018 management stated that the Technical sanction would be obtained from the competent forum, but no TS was produced so for.

Request for convening DAC meeting was made in December 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends obtaining Technical Sanction from the competent forum and action against the person(s) authorizing execution /payment without Technical Sanction.

(AIR NO.03 2017-18)

**1.3.1.4 Irregular expenditure on installation of Gi and HDPE pipes- Rs45.15 million**

According to circular No11/Dev-14/PHE (N) dated 14-7-2015 in order to stop the entry of the sub-standard product, the field staff must be instructed to adopt the following quality assurance steps for compliance Original Manufacturer/confirmation through his letter head and seal.

- i. Gate Pass No./Sales Tax invoice.
- ii. Confirmation that manufacturers all documents are original
- iii. Code No, on Product (year, month, date)

Tehsil Municipal Officer Puran incurred expenditure of Rs 45,154,407 on account of Supply and Fixing GI and HDPE pipes in various Water supply Schemes during 2017-18. On scrutiny of record, it was observed that the Local office did not observe/fulfill the above mentioned conditions for quality assurance steps to ensure the quality and health of the people of locality. In the absence of the above mentioned documents the entry of substandard Pipes cannot be rolled out. Detail as per annexure: 10

Audit observed that non compliance of the field staff occurred due to weak internal control, which resulted in violation of Government instruction.

When pointed out in December 2018 management stated that the required documents will be furnished to audit, but no evidence was produced so far.

Request for convening DAC meeting was made in December 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends inquiry into the matter for fixing of responsibility & action against the person(s) at fault

(AIR NO.04 2017-18)

#### **1.3.1.5 Irregular award of work to single bidder Rs41.20 million**

According to KPPRA letter No KPPRA /M&E/Advice/ 5-20/2015-16 dated 6-8-2015. Single bid may be accepted at second time advertisement with the approval of the principal Accounting Officer.

Tehsil Municipal Officer Puran awarded various developmental works with estimated cost of Rs 41,200,000 in 2017-18. During scrutiny of record it was observed that only one bidder took part in the bidder process, As per criteria mentioned above single bid may be accepted at second time advertisement with the approval of the Principal Accounting Officer but the local office failed to do

so and the works were awarded to single bidders which was clear violation of the above mentioned criteria.

<b>S.No</b>	<b>Name of Schemes</b>	<b>No.Of bidders</b>	<b>E.cos (Rs)</b>
1	Package No 25	1	4,350,000
2	Package No 24 Communication	1	8,050,000
3	Package No 18 communication	1	9,700,000
4	Package No 12 wss l	1	9,500,000
5	Package No 22 communication	1	9,600,000
<b>Total</b>			<b>41,200,000</b>

Audit observed that Irregular expenditure occurred due to violation of Government instructions.

When pointed out in December 2018 management stated that the detail reply would be furnished to audit, but no evidence was produced so for.

Request for convening DAC meeting was made in December 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends investigation, and action against persons at fault.

(AIR NO.05 2017-18)

### **1.3.2 Internal Control Weakness**

#### **1.3.2.1 Non imposition of penalty on late completion of schemes – Rs 1.052 million**

According to Clause 2 of the Contract Agreement, penalty of 1% per day and upto maximum of 10% of the tender cost may be imposed for delay in completion of work.

TMO Alpuri did not impose 10% penalty of Rs 1,052,500 during 2017-18 on various contractors for late completion of developmental schemes. Detail as per annexure 8

Audit observed that non recovery of penalty occurred due to lack of internal control which resulted in loss to Government.

When pointed out in December 2018, Management stated that due to non availability of funds, the works could not be completed in time. However, time extension would be obtained from the competent authorities.

Request for convening DAC meeting was made in December 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery of penalty amount and action against the person(s) at fault.

**(AIRNO.01 2017-18)**

#### **1.3.2.2 Overpayment due to wrong calculation in the contractor bills– Rs 1.335 million**

According to Para 220 and 221 of CPWA Code, the Sub Divisional Officer, before making payments to the contractors is required to compare the quantities in the bills and see that all the rates are correctly entered and that all the calculations have been checked arithmetically.

TMO Alpuri overpaid an amount of Rs 1,335,409 during the financial year 2017-18. During scrutiny of record, it was observed that wrong calculation was made in the contractor bills. Detail is as under:

S. No.	Name of work	Estimated cost (Rs)	Approved Cost (Rs)	Add 15%	Total Cost (Rs)	Deduct 7% I/Tax	Deduct Below rate	Net amount to be paid (Rs)	Amount paid (Rs)	Excess amount paid (Rs)
01	Package No.23 kormang-II	3,075,000	2,687,243	403,086	3,090,329	0	389,690 (12.61%)	2,700,638	2,798,990	98,351
02	Package No.22 kormang-I	2,025,000	1,767,825	265,173	2,032,998	0	258,190 (12.70%)	1,774,807	1,944,846	170,038
03	Package No.21 Opal-II	3,200,000	2,798,080	419,472	3,217,792	0	441,159 (13.71%)	2,776,632	3,109,150	332,517
04	Package No.30 VC Maira	8,000,000	6,817,600	102,2640	7,840,240	0	1,158,787 (14.78%)	6,681,452	7,415,956	734,503
<b>Total</b>										<b>1,335,409</b>

Audit observed that the irregularity occurred due to weak financial control, which resulted in loss to Government.

When pointed out in December 2018, Management stated that detailed reply would be intimated after scrutiny of record.

Request for convening DAC meeting was made in December 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends to recover the amount from the contractor and action against the person(s) at fault.

(AIR NO.7 2017-18)

### **1.3.2.3 Non imposition of 2% penalty on late deposit of monthly installments– Rs 2.445 million**

According to S. No. 07 of Policy Guidelines circulated vide letter No. AO-II/LCB/6-11/2017 dated 20-02-2017, 2% penalty will be liable on Contractor/Firm for late deposit of monthly installment.

TMO Alpuri did not recover Rs 2,445,284 on account of 2% penalty on late deposit of monthly installment GBS Alpuri during the financial year 2017-18. Detail is given below:

S. No.	Month	Due Date of payment	Actual date of payment	Delay in deposit of Installment (Days)	Installment per month (Rs)	2% penalty (Rs)	Total Amount (Rs)
01	July 2017	31-07-2017	07-08-2017	07	291,820	5,836	40,852
02	August 2017	31-08-2017	13-09-2017	13	291,820	5,836	75,868
03	September 2017	30-09-2017	13-10-2017	13	291,820	5,836	75,868
04	October 2017	30-10-2017	28-12-2017	58	291,820	5,836	338,488
05	November 2017	30-11-2017	10-04-2018	100	291,820	5,836	583,600
06	December 2017	31-12-2017	08-05-2017	128	291,820	5,836	747,008
07	January 2018	31-01-2018	11-05-2018	100	291,820	5,836	583,600
<b>Total</b>							<b>2,445,284</b>

Audit observed that non imposition of penalty due to weak financial control, which resulted in loss to Government.

When pointed out in December 2018, Management stated that all the recoveries have been made during the financial year as well as the Tehsil Council has also granted the time extension. Reply was not convincing as no documentary proof was provided.

Request for convening DAC meeting was made in December 2018, however meeting of DAC could not be convened till finalization of this report.

Audit suggests to produce the evidence of recovery or recover the penalty amount and action against the person(s) at fault.

(AIR NO.8 2017-18)

**1.3.2.4 Loss to government due non imposition of penalty- Rs 12.91 million**

According to Clause 2 of the Contract Agreement, penalty of 1% per day and upto maximum of 10% of the tender cost may be imposed for delay in completion of work.

Tehsil Municipal officer Puran incurred expenditure of Rs 129,175,000 on execution of various developmental schemes in 2017-18.but such schemes were not completed within the stipulated period of time. The local office was required to impose 10% penalty amounting to Rs 12,917,500 but failed to do so. Detail as per Annexure:11

Audit observed that non recovery of penalty occurred due to weak internal control, which resulted in loss to government.

When pointed out in December 2018 management stated that detailed reply would be given after scrutiny of record.

Request for convening DAC meeting was made in December 2018, however meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery and action against the person at fault.

(AIR NO 01.2017-18)

## **ASSISTANT DIRECTOR LGE & RDD**



#### 1.4.1 Irregularities and Non-Compliances

##### 1.4.1.1 Irregular expenditure without Technical Sanction – Rs 26.600 million

According to Para 32 of CPWD Code, no work shall be executed without Administrative Approval/Technical Sanction and Budget allotment. Further, according to Para 56 of CPWD Code, if subsequent to the grant of technical sanction, material structural alterations are contemplated, orders of the original sanctioning authority should be obtained, even though no additional expenditure may be involved by the alterations.

Assistant Director LGE & RDD Shangla awarded six (06) developmental works of Rs 26,600,000 on account of various developmental schemes during 2017-18. During scrutiny of record, it was observed that Technical Sanction was not obtained from the competent authority before commencement of work. Thus, the expenditure made was held irregular. Detail is given below:

S. No.	Name of scheme	Expenditure (Rs)
1	PCC Road HGS Kabalgram	2,500,000
2	Kacha Road Banjar Sar	2,400,000
3	PCC Road GMS Gumbat	5,000,000
04	Protection Wall Ghwarban Khwar VC Dherai	3,700,000
05	Const: of PCC Road GMS Awari	10,000,000
06	Kacha Road BHU Dherai	3,000,000
<b>Total</b>		<b>26,600,000</b>

Audit observed that the irregular expenditure occurred due to violation of Government Rules.

When pointed out in December 2018 management stated that detail reply would be given after scrutiny of record.

Request for convening DAC meeting was made in January 2019, however meeting of DAC could not be convened till finalization of this report.

Audit recommends regularization and action against the person(s) at fault.

(AIR NO.04 2017-18)

**1.4.1.2 Irregular expenditure on installation of GI and HDPE pipes – Rs 1.532 million**

According to circular No11/Dev-14/PHE (N) dated 14-7-2015 in order to stop the entry of the sub-standard product the field staff must be instructed to adopt the following quality assurance steps for compliance

- i. Original Manufacturer/confirmation through his letter head and seal.
- ii. Gate Pass No./Sales Tax invoice.
- iii. Confirmation that manufacturers all documents are original
- iv. Code No, on Product (year, month, date)

Assistant Director LGE & RDD Shangla incurred expenditure of Rs 1,532,034 on account of supply and fixing GI and HDPE pipes in various water supply schemes during 2017-18. On scrutiny of record, it was observed that that the Local office did not adopt the following quality assurance steps to ensure the quality and health of the people of locality.

- i. Original Manufacturer/confirmation through his letter head and seal
- ii. Gate Pass No./Sales Tax invoice.
- iii. Confirmation that manufacturers all documents are original
- iv. Code No, on Product (year, month, date).

In the absence of the above mentioned documents, the execution of substandard pipes could not be ruled out. Detail is as under:

S. No.	Name of scheme	Amount (Rs)
01	DWSS/Collecting Chamber at Abdul Malik Koroona	305,982
02	DWSS at Zarin Korrora	275,655

03	DWSS Intikhab Koroona Lilownai	613,814
04	DWSS Shah Doran	336,583
<b>Total</b>		<b>1,532,034</b>

Audit observed that non compliance of the field staff occurred due to violation of Government instruction.

When pointed out in December 2018 management stated that detail reply would be given after scrutiny of record.

Request for convening DAC meeting was made in January 2019, however meeting of DAC could not be convened till finalization of this report.

Audit recommends regularization besides action against the persons at fault.

(AIRNO.05 2017-18)

## **1.4.2 Internal Control Weakness**

### **1.4.2.1 Non imposition of penalty on late completion of schemes – Rs 4.261 million**

According to Clause 2 of the Contract Agreement, penalty of 1% per day and upto maximum of 10% of the tender cost may be imposed for delay in completion of work.

Assistant Director LG & RDD Shangla did not impose 10% penalty of Rs 4,261,000 during 2017-18 on various contractors for late completion of developmental schemes. Detail as per annexure:12

Audit observed that non recovery of penalty occurred due to lack of internal control which resulted in loss to Government.

When pointed out in December 2018 management stated that detail reply would be given after scrutiny of record.

Request for convening DAC meeting was made in January 2019, however meeting of DAC could not be convened till finalization of this report.

Audit recommends recovery and action against the person(s) at fault.

**(AIR NO.01 2017-18)**

**Annex.1****Detailed of MFDAC Paras**

<b>S.NO</b>	<b>Department</b>	<b>AIR NO</b>	<b>Caption</b>	<b>Amount (Rs in million)</b>
1	DEO (F)	2	Non deduction of income tax from salaries	0.409
2	DEO (F)	05	Unverified expenditure on account of hard area allowance	1.09
3	District Health Officer	06	Non deduction of HRA	0.446
4	District Health Officer	7	Unauthorized drawl on account of 25% doctor share	0.1980
5	District Health Officer	8	Non reporting of clinical efficacy	24.765
6	TMA Puran	2	Irregular expenditure on account repair of vehicle	0.654
7	TMA Puran	06	Non deduction of income tax from salaries	0.123
8	TMA Puran	07	Non deduction of DPR	0.193
9	TMA Puran	08	Non deposit of stamp duty	0.138
10	TMA Alpurai	03	Loss to government due to over writing in BOQ	0.087
11	TMA Alpurai	04	Over payment due to non deduction of 10% voids	0.099
12	TMA Alpurai	09	Non deposit of stamp duty	0.551
13	TMA Alpurai	11	Irregular payment on account of pay of fixed and daily wages employees	0.651
14	AD LGRDD	02	Loss to government due to over writing in BOQ	0.044
15	AD LGRDD	03	Loss to government due to over writing in BOQ	0.053
			<b>Total</b>	<b>29.501</b>

**Annex no 2**  
**Para No.1.2.1.7**

**Detail of non utilization of fund**

<b>S.No</b>	<b>Name of School</b>	<b>Amount in Balance</b>
1	GGPS Salagram	393707
2	GGPS aman dherai	201076
3	GGPS asharosar	447033
4	GGPS badar sar martung	365603
5	GGPS baglila puran	2044
6	GGPS barabray	320944
7	GGPS budryal sanila	347120
8	GGPS darra sarai	159872
9	GGPS deran sar	330601
10	GGPS faiza chowga	984010
11	GGPS ganorai	156813
12	GGPS gharai	2,601,8
13	GGPS gumbat chagum	886413
14	GGPS jambal naway kalay	66453
15	GGPS kabal gram	55836
16	GGPS kokalai	66453
17	GGPS kotkay peryanai	143657
18	GGPS landay martng	934232
19	GGPS koza awarai	596645
20	GGPS manzkalay	375283
21	GGPS nimkala	83609
22	GGPS palang sar	818921
23	GGPS pandoria	21854
24	GGPS sanila	612801
25	GGPS simar	592274
26	GGPS zaihara ouba	165880
27	GGPS baina	226702
28	GGPS shakolai	197259
29	GGPS samil khail	136485
30	GGPS serai martung	217510
31	GGPS dedal	784754
32	GGPS chowga	92041
33	GGMS bazarkot shangla	289325
34	GGPS mehan peshlorh	512536
35	GGPS qambaray	28683
36	GGPS bisham	23146
37	GGPS dangai dandai	829521
38	GGPS dandai	60686
39	GGPS kot maira	506267
40	GGPS gandorai kormang	124084

41	GGPSgarang dandai	548051
42	GGPS maira disst shangla	2063000
43	GGPS mangai mai	50898
44	GGPS moul sar bisham	49351
45	GGPS arakh karmang	23881
46	GGPS derai maira	230500
47	GGPS gunangar	62110
48	GGMS butial bisham	10004
49	GPS chidam	429
50	GPS chagum	427948
51	GPS Gatsum	1891523
52	GPS malak khel kotkey	55928
53	PTA ranyal karora	636024
54	PTA tangai chakesar	873208
55	GGPS gulibat	22280
56	GGPS dault kalay	820885
57	GGPS gadosar	301796
58	PTA shalaow	13573
59	GGPS babo mahla	842102
60	GGPS barkana	22588
61	GGPS chichlow ashari	6374
62	GGPS chichlow tangi	44851
63	GGPS kari bilkanai	301987
64	GGPS kuzkana	163456
65	GGPS newkala shahpur	454521
66	GGPS olander	633208
67	GGPS sewore karshat	3192600
68	GGPS bilkanai	156449
69	GGPS dandoki	2052997
70	GGPS karshat	14116
71	GGPS shgi kana	56734
72	GGPS shonaial	478383
73	GGPS achar bazaar	820853
74	GGPS alpurai and chairman	183613
75	GGPS banda china	58858
76	GGPS serai karkora	673893
77	GGPS baigalai	115887
78	GGPS lilownai	412592
79	GGPS kandaw	34261
80	GGPS khanpur	2319421
81	GGPS khwarr kallay lilowna	1034150
82	GGPS wahal khel	221528
83	GGPS sher dandal	11822
84	GGPS sheshan	358000

85	GGMS bazarkot shangla	289325
86	GGPS banjar	1671 763
87	GGPS kassulowna	205751
88	GGPS mangay	246439
89	GGPS bazaar kot	45000
90	GGMS bazarkot shangla	2893250
		41062755



**Annex No 3**  
**Para No.1.2.1.10**

**Detail of Machinery and Equipments.**

<b>S.No</b>	<b>Name of firms</b>	<b>Items</b>	<b>Quantity</b>	<b>Amount</b>
1	Alam Medix	Lab incubator	1	135000
2	Ihtisham Enterprise	Blanket	50	82500
3	Paridise ExportCo	Various small items	17	229640
4	AGFA	Filam processor	1	598000
5	Noor Enterprise	Electrosurgical unit diathrmy	2	590000
6	Friends traders	Binocular Microscope	1	129500
A	Friends traders	Cardiac Monitor	1	209000
B	Friends traders	Defiberrillator	3	1183500
C	Friends traders	U/sound with thermal printer	1	1445000
7	Mirza Niaz Enterprise	Bed with Side Table ,over bed trally,and side rilling	25	1492500
A	Do	Bid side steel stairs	11	52580
8	Ultra dent	Dental unit	1	539000
A	Do	Hydraulic Operation Tables	2	784000
9	For care health	Dentel xray unit	1	223000
A	Do	Mini Autoclave	1	145000
10	Professional	Medical equipments		147107
11	IBS	Do		617917
12	Med express	Sonic Aid Machine/fetus Heart Detector	1	39500
A	Do	Pulse Oximeter	1	38900
13	MKJ	Medical equipments		357534
14	Medco	Blood bank refrigerator	1	565000
A	Do	Spectrophotometer	1	270000
15	Qazafi	Drip stand	20	48000
16	Forcare	Steam sterilzar	2	290000
				10212178

**Annex No. 4**  
**Para No.1.2.2.2**

**Detail of additional Class Room Excess from prescribed rates**

<b>Name of School</b>	<b>Allocated amount</b>	<b>Rate of per room</b>	<b>Excess (Rs)</b>
GPS Khrava	975000	800000	175000
GPSShamas Koroon	850000	800000	50000
GPS Kakor	950000	800000	175000
GPS Bala Bamalai	950000	800000	150000
GPSChagam Dandai	900000	800000	100000
GHS GANDAW	900000	800000	100000
GPSBAGLOSAR MANAGAY	1000000	800000	200000
GPS BANYALA	875000	800000	75000
GPS DAWLAT KALA	900000	800000	100000
GPS DERAI LILOWNAI	986000	800000	186000
GPS JAMRA	960000	800000	160000
GPS KASS PAGORAI	950000	800000	150000
GPS LARAI LILOWNAI	960000	800000	160000
GPS PIRABAD	823000	800000	23000
GPS SHALAWOO	867000	800000	67000
GPS TANDAR	100000	800000	200000
GPS TANGO BASI	900000	800000	100000
GPS AFSAR PATAY	850000	800000	50000
GPS BELA GANSHAL	875000	800000	75000
GPS LOGAY	900000	800000	100000
GPS SHAHPUR	900000	800000	100000
GPS SOORBAND	850000	800000	50000
GPS RAHIM SAR	900000	800000	100000
GPSMAINZ DARA	900000	800000	100000
GFfFPS BOSTANAI BANDA	1000000	800000	200000
GPSKOOH PURAN	1000000	800000	200000
GPS DHERAI PURAN	823000	800000	23000
GPS JAMBAL	900000	800000	100000
GPS DIWAL	950000	800000	150000
GPS BRAIM PURAN	1000000	800000	200000
GPS SARKOOB	3001500	800000	601500
GPS BAGLOSR MANAGAY	100000	800000	200000
GPS SEEN BASI	950000	800000	150000
			4403100

**Annex no 5**  
**Para No.1.2.2.3**

**Detail of income tax non deducted from salaries**

<b>S.No</b>	<b>NAME</b>	<b>Designation</b>	<b>AMOUNT</b>	<b>Income tax</b>
1	FAZAL KHALIQ	PST	300,833	41625
2	HAYAT KHAN	PST	233,955	26749
3	NASEEM HASSAN	PST	231,731	26305
4	SHAH KHALID	PST	219,919	23942
5	BAHAR ALI	PST	201,243	20384
6	SALEEM SHAH	PST	201,243	20384
7	NASIB RAMAN	PST	201,243	20384
8	AYUB KHAN	PST	188,001	18067
9	FAZAL BARI	PST	188,001	18067
10	MUHAMMAD ZAKIR	PST	188,001	18067
11	ANWAR KHAN	PST	166,582	14319
12	USMAN ALI	PST	472,769	88095
13	NAWAZ ALI	PST	188,001	18067
14	SHAH NAWAZ	PST	155,184	18067
15	AFTAB ALAM	PST	184,799	17507
16	SHAH MER ALI	PST	187,971	18062
17	SALAH UD DIN	PST	187,971	18062
18	ASHRAF ALI	PST	188,421	18140
19	WALI ULLAH	PST	188,421	18140
20	AMJAD ALI	PST	188,421	18140
21	QADAR ZAMAN	PST	174,355	15679
22	MUMTAZ ALI	PST	174,807	15758
23	SAID RAWAN	PST	174,807	15758
24	AZIZ ULLAH	PST	174,807	15758
25	NEK MUHAMMAD	PST	174,807	15758
26	HAMID ULLAH	PST	174,807	15758
27	UBAID ULLAH	PST	174,807	15758
28	IMRAN ALI	PST	174,807	15758
29	SALAH UDDIN	PST	174,807	15758
30	ABDULAH KHAN	PST	174,807	15758
31	MUHD ALI	PST	174,807	15758
32	IQBAL HUSSAIN	PST	174,807	15758
33	RAFIQ AHMAD	PST	174,627	15726
34	BAKHT KAMAL	PST	464,689	85873
35	NAIM ULLAH KHAN	PST	174,807	15758
36	IKRAM ULLAH	PST	173,637	15553
37	UBAID ULLAH	PST	176,127	15989
38	DAWLAT KHAN	PST	174,607	15723

39	QAID ALI SHAH	PST	150,703	11540
40	AJMAL HASSAN	PST	151,477	11675
41	MOHD IKRAM	PST	151,477	15758
42	SAMI UL HAQ	PST	151,477	15758
43	MOHD ISLAM	PST	153,697	12048
44	AMJID ALI	PST	153,607	15758
45	SUBHAN ALI	PST	153,607	15758
46	FIDA REHMAN	PST	153,607	15758
47	AMIN RASHID	PST	153,607	15758
48	SHAHID ALI	PST	153,607	15758
49	FARMAN ULLAH	PST	153,607	15758
50	SHOWKAT HUSSAIN	PST	153,607	15758
51	USMAN ALI	PST	153,607	15758
52	NASER ALI	PST	153,607	15758
53	MOHD ISRAR	PST	153,607	15758
54	SULTAN ROOM	PST	153,607	15758
55	HASSAN ZEB	PST	153,607	15758
56	SAID ZAMAN	PST	153,607	15758
57	UMAR DIN	PST	153,697	15758
58	JAVED KHAN	PST	153,607	15758
59	FAZAL SHAHID	PST	153,607	15758
60	ZAHID GUL	PST	153,697	15758
61	AKBAR ZADA	PST	153,697	15758
62	ZAKIR HUSSAIN	PST	153,697	15758
63	ARSHID ALI	PST	153,697	15758
64	JAN MOHD	PST	153,697	15758
65	HAZRAT BILAL	PST	153,697	15758
66	BADSHAH ALI	PST	153,697	15758
67	MOHD ARIF	PST	153,697	15758
68	SHEROZ GUL	PST	153,697	15758
69	ASIF SOHAIL	PST	153,697	15758
70	JEHAN ZADA	PST	153,697	15758
71	BADAR HUSSAIN	PST	153,697	15758
72	AYUB AHMAD	PST	153,697	15758
73	ABDUL WARIS	PST	153,697	15758
74	MUHD ZAKIR ULLAH	PST	153,697	15758
75	INAYAT ULLAH	PST	153,697	15758
76	GUL BADSHAH	PST	151,477	15758
77	ZENAT MOHDSAQIB RAJA	PST	153,697	15758
78	SYED ABAS	PST	153,697	15758
79	FIDA HUSSAIN	PST	153,697	15758
80	SHUJAT ALI	PST	153,697	15758

81	IQBAL	PST	153,697	15758
82	SAOOD	PST	153,697	15758
83	ATTIQ ULLAH	PST	153,697	15758
84	JAVED KHAN	PST	153,697	15758
85	ZEBULLAH KHAN	PST	153,697	15758
86	SARDAR	PST	153,697	15758
87	HUSSAIN	PST	153,697	15758
88	UMAR ALI	PST	153,697	15758
89	ARIF ULLAH	PST	153,697	15758
90	FARMAN ULLAH	PST	154,479	15758
91	IHSAN HAQ	PST	154,477	15758
92	NOOR GUL	PST	153,697	15758
93	HABIB ULLAH	PST	153,697	15758
94	NASEM AHAD	PST	153,697	15758
95	MOHD ANWAR	PST	153,697	15758
96	AHMAD SHAH	PST	153,697	15758
97	HASHAM KHAN	PST	153,697	15758
98	AMIR HASSAN KHAN	PST	153,697	15758
99	SARDAR ALI KHAN	PST	153,697	15758
100	MOHSIN ULLAH	PST	153,697	15758
101	IFHTIKHAR AHMAD	PST	153,697	15758
102	ZAHIR BACHA	PST	153,697	15758
103	FAFIQ UN HAQ	PST	153,697	15758
104	HUSAN ZADA	PST	153,697	15758
105	BAD SHAH ZAMAN	PST	153,697	15758
106	HUSAN AHMAD	PST	153,697	15758
107	BAKHT MUNIR	PST	153,697	15758
108	JABBAR KHAN	PST	153,697	15758
109	MAZHAR ALI	PST	153,697	15758
110	MUJEB REHAM	PST	153,697	15758
111	AMIR ZEB	PST	153,697	15758
112	MOHD ABID	PST	153,697	15758
113	TARIQ SHAH	PST	153,697	15758
114	SARDAR ALAM	PST	153,697	15758
115	MOHD IMRAN	PST	153,697	15758
116	SHABER AHMAD	PST	153,697	15758

117	MOHD SOHRAB	PST	153,697	15758
118	SHER AZAM KHAN	PST	153,697	15758
119	MOHD ALI	PST	153,697	15758
120	ZEESHAN AHMAD	PST	153,697	15758
121	MOHD SAJAD ALI	PST	153,697	15758
122	JEHAN MULK	PST	153,697	15758
123	FAZAL NAWAZ	PST	153,697	15758
124	AMIR ZEB	PST	247,889	29536
125	IHSAN ULAH	PST	399,612	67977
126	MOHD NAEEM	PST	350,450	54457
127	AZIZ REHMAN	PST	243,488	28656
128	RAHIM DAD	PST	345,534	53105
129	MOHD IQBAL	PST	243,627	28684
130	KHAIR RU REH MAN	PST	247,627	28684
131	QADAR ZAMAN	PST	247,627	28684
132	SHAHID AKBAR	PST	236,273	27213
133	JOHAR	PST	237,000	27358
134	RASHID ULLAH	PST	171,009	15093
135	ATTA UR RAHMAN	PST	174,262	15663
136	MOHD FAZAZULLAH	PST	163,556	13789
137	JAVID IQBAL	PST	174,262	15663
138	KAMRAN KHAN	PST	174,262	15663
139	INAYAT ULLAH	PST	174,262	15663
140	SADIQ ULLAH	PST	174,262	15663
141	SABIR RAHIM	PST	153,472	12024
142	SARDAR ULLAH	PST	153,472	12024
143	IQBAL HUSSAIN	PST	153,472	12024
144	ZIA RAHIM	PST	153,472	12024
145	FAZAL HADI	PST	153,472	12024
146	REHMAN AQAL	PST	153,472	12024
147	MUQAM GUL	PST	153,472	12024
148	MOHD ISLAM	PST	153,472	12024
149	NAVEED AHMAD	PST	153,474	12024
150	NAJEEB ULLAH	PST	153,474	12024
151	SHAFQAT ULLAH	PST	153,474	12024

152	ISRAR ULLAH	PST	153,474	12024
153	MOHD ARSHAD	PST	153,474	12024
154	ZAIN UL ABIDEEN	PST	153,474	12024
155	MOHD AZIZ SHAH	PST	153,474	12024
156	ARIF ULLAH	PST	153,474	12024
157	ZAFAR ALI	PST	153,474	12024
158	ZAHID ALI	PST	153,474	12024
159	MOHD AYUB	PST	153,474	12024
160	NASEEB UR REHMAN	A T	230,977	26154
161	SHAFI ULLAH	A T	226,483	25255
162	SAID HUSSAIN SHAH	CT	150,343	11477
163	ASAD KHAN	SET	195,853	19441
164	MOHD ASSADULLAH	TT	183,078	17205
165	SUBHAN ULLAH	TT	191,078	18605
166	GUL ZADA	AT	153,231	11982
167	Mohammad Ikram	PST	151477	11675
			29,154,531	3013432

**Annex No.6**  
**Para No.1.2.2.4**

**Detail of Non Utilization of Developmental Fund DO (M)**

<b>S.No</b>	<b>Name of School</b>	<b>Amount (Rs)</b>
1	GPS No 1 Alpuri	1309200
2	GPSNata	848940
3	GPSJamar	1102117
4	GPSManawn	397879
5	GPSNavay kalay	149371
6	GMPS Macher	1025221
7	GPSTango Basi	368925
8	GPSGul abad lilownai	821681
9	GPS Barkas	1826097
10	GPS Danai Lilowni	869508z
11	GPS bila ganshal	1194002
12	GPS Dota Dambari	1259421
13	GPS Seri	1270149
14	GPS Asharo Bar shah	1200742
15	GPS A/C No4086514229 (NBP Alpuri)	1529668
16	GPS Cham Mari	614883
	<b>Total</b>	<b>7068865</b>



**Annex No7**  
**Para No.1.2.2.9**

**Detail of income tax DHO**

S.No	Name of firms	Items	Amount	Income tax(Rs)
4	Aspin	Vermox	341500	15367
5	Nabi qasim	Folitab tablet	72000	3240
	Medicraft	Cefpodoxime	49999	2249
7	Stanly	Medicines	773000	34785
A	Mega phrama	Medicine	44000	00000
B	Davis	ORS	297000	13365
C	MEDSAVE	Medicine	734496	25707
D	Medpak	Condom	99000	4455
E	Glaxo smoth	Medicine	593000	26685
F	Zafa phrama	Medicine	887974	39958
G	Surge	Genxat	136400	6138
H	Macter international	Maxil	755000	33975
8	Injection system	D/Syring	190000	8550
9	Amson Vaccines	Hyzonate inj	198000	8910
A	Davis	ORS	107888	4854
B	Brooks	Medicine	2406050	108272
C	Cotton craft	Medicine	3275000	147375
1	Cirin phrama	Inj: anti Rabies	160920	7241
2	Getz	Medicine	52490	2362
3	Cirin phrama	Inj: anti rabbies	447000	20115
A	Sind medical store	D/Siring	4575	00000
B	Hashir Surgical	Folys Cather	49600	2232
C	Arsons phrama	Adhesive paper	81000	3645
D	Frontier dextrose	Inf : gelatin	179950	8097
E	Injection system	D/syring	56500	2542
4	IZ enterprise	Suture needle	89640	4033
A	IZ enterprise	Black silk	89180	4000
B	IZ enterprise	Medicine	52500	2362
5	IZ enterprise	Suture needle	73440	3304
6	Z jans	Fluconazole	410998	18494
A	Broks	Inj D cort	31000	1395
B	Medicraft Phrama	Cap: cephradine	400980	18044
C	Bosh phrama	Calmox	1230000	55350
D	Stanley phrama	Medicine	80500	3622
F	Injection system	D/syring	190000	8550

7	Help phrama	Metronidazole	41500	1867
9	Bush phrama	Medicine	134750	6063
A	Stanley phrama	Medicine	648000	29160
A	Medicraft	Cefpodoxime	332497	14962
A	Cotton Carft	Absorbent cotton wool	417500	18787
15	Bosh Phrama	Calamox	2460000	110700
16	Alam Medix	Lab incubator	13500	6075
17	Noor Enterprise	Electrosurgical unit diathrmy	590000	26550
18	Friends traders	Binocular Microscope	129500	58275
a	Friends traders	Cardiac Monitor	209000	9405
b	Friends traders	Defiberrillator	1183500	53257
c	Friends traders	U/sound with thermal printer	1445000	65025
19	MKJ	Medical equipments	357534	16089
20	Medco	Blood Bank Refrigerator	565000	25425
a	Medco	Spectrophotometer	270000	12150
			23437861	1103063

**Annex No. 8**  
**Para No.1.3.2.1**

**TMA Alpuri Detail of 10% penalty**

S. No.	Scheme	W/order date	Due date of Completion	Actual date of completion	Delay in days	Cost (Rs)	10%Penalty (Rs)
1	Water Channel VC Chakisar	15-06-2017	15-12-2017	In Progress	.	500,000	50,000
2	PCC Road Danakool to Said Khadang	15-06-2017	15-12-2017	In Progress		1,000,000	100,000
3	Shingle Road Anara Chakisar	15-06-2017	15-12-2017	In Progress		600,000	60,000
4	Shingle Road Ghulam Habib Chakisar	15-06-2017	15-12-2017	In Progress		250,000	25,000
5	PCC Road & Pav: of streets VC Chakisar	15-06-2017	15-12-2017	In Progress		1,300,000	130,000
6	Kacha Road Chakisar	15-06-2017	15-12-2017	In Progress		800,000	80,000
7	P/ Wall, B//Wall & R/Wall Chakisar	15-06-2017	15-12-2017	In Progress		1,600,000	160,000
8	DWSS Amani Room Koroona	15-06-2017	15-12-2017	In Progress		100,000	10,000
9	DWSS Saeed Akbar	15-06-2017	15-12-2017	In Progress		150,000	15,000
10	Water Tank Tangay	15-06-2017	15-12-2017	In Progress		100,000	10,000
11	Water Tank Khan Zarin koroona	15-06-2017	15-12-2017	In Progress		100,000	10,000

12	Sarkool Tangai Road	15-06- 2017	15-12-2017	In Progress		600,000	60,000
13	Kacha Road VC Shang	15-06- 2017	15-12-2017	27-04-2018	132	300,000	30,000
14	PCC Road VC Shang	15-06- 2017	15-12-2017	27-04-2018	132	425,000	42,500
15	Kacha Road Losar Shang	15-06- 2017	15-12-2017	27-04-2018	132	900,000	90,000
16	Kacha Road Danda Shang	15-06- 2017	15-12-2017	27-04-2018	132	900,000	90,000
17	Kacha Road Chambar Shang	15-06- 2017	15-12-2017	27-04-2018	132	900,000	90,000
<b>Total</b>							<b>1,052,500</b>

**Anexure-9**  
**Para No.1.3.1.3**

**Detail of expenditure without TS**

<b>S.No</b>	<b>Name of Scheme</b>	<b>E. Cost</b>	<b>Expenditure (Rs)</b>
1	Package No 2 DWSS	8900000	2486984
2	Package No 14 Solorization	7400000	6660000
3	Package No1 DWSS	9450000	8505000
4	Package No 5 saitation	6000000	44928522
5	Package No 3 DWSS	8525000	7098637
6	Package No 9 DWSS	8500000	7966534
7	Package No 7 DWSS	5500000	1674792
8	Package No 25	4350000	2937048
9	Package No 16	5000000	2988993
10	Package No 21	9400000	1210936
11	Package No 24 Communication	8050000	5255041
12	Package No 10 DWSS	9550000	6126984
13	Package No 18 communication	9700000	6507520
14	Package No 23 Communication	9400000	8460000
15	Package No 20 Communication	9600000	9400000
16	Package No 12 wss l	9500000	9400000
17	Package No 8 wss l	8680000	3886822
18	Package No 22 communication	9600000	1012742
19	Package No 17 wss l	9100000	7847049
20	Package No 19 communicationl	9600000	446283
21	Package No 6 sanitation	5500000	1605617
22	Package No 2 wss l	7300000	6682083
23		178605000	153087587

**Annex No 10**  
**Para No.1.3.1.4**

**Detail of HDPE Pipes TMA PURAN**

<b>S.No</b>	<b>Name of Scheme</b>	<b>Estimate Cost</b>	<b>Expenditure (Rs)</b>
1	Package No 2 DWSS	8,900,000	2,486,984
2	Package No1 DWSS	9,450,000	8,505,000
3	Package No 9 DWSS	8,500,000	7,966,534
4	Package No 10 DWSS	9,550,000	6,126,984
5	Package No 12 wss 1	9,500,000	9,500,000
6	Package No 8 wss 1	8,680,000	3,886,822
7	Package No 2 wss 1	7,300,000	6,682,083
			45,154,407

**Annex No.11**  
**Para No.1.3.2.4**

**Detail of late completion TMA Puran**

<b>S.No</b>	<b>Name of Scheme</b>	<b>E.Cost</b>	<b>Amount Of Penalty (Rs)</b>
1	Package No 2 DWSS	8900000	890000
2	Package No 14 Solorization	7400000	740000
3	Package No1 DWSS	9450000	945000
4	Package No 5 saitation	6000000	600000
5	Package No 3 DWSS	8525000	852500
6	Package No 9 DWSS	8500000	850000
7	Package No 7 DWSS	5500000	550000
8	Package No 25	4350000	435000
9	Package No 16	5000000	500000
10	Package No 21	9400000	940000
12	Package No 10 DWSS	9550000	955000
18	Package No 22 communication	9600000	960000
19	Package No 17 wss l	9100000	910000
20	Package No 19 communicationl	9600000	960000
21	Package No 6 sanitation	5500000	550000
21	Package No 6 sanitation	5500000	550000
22	Package No 2 wss l	7300000	730000
		129175000	12917500

**Annex -12**  
**Para No.1.4.2.1**

**Detail of 10% penalty of AD LGRDD**

S. No.	Scheme	W/order date	Due date of Completion	Actual date of completion	Cost (Rs)	10% Penalty (Rs)
1	PCC Road Naway Kallay	20-10-2016	20-04-2017	In Progress	900,000	90,000
2	Sanitation at Chakisar	24-10-2016	24-04-2017	In Progress	1,400,000	140,000
3	DWSS Shamroz, Umar Korrora	24-10-2016	24-04-2017	In Progress	900,000	90,000
4	Kacha Road Joza to banda Chakisar	20-10-2016	20-04-2017	In Progress	800,000	80,000
5	Kacha Road Husnullah Jan maira	20-10-2016	20-04-2017	In Progress	1,000,000	100,000
6	DWSS Zarin korrora Jatkol, Polo Sar	24-10-2016	24-04-2017	In Progress	810,000	81,000
7	Const: of PCC Road Losar Danda	19-10-2016	19-04-2017	In Progress	1,000,000	100,000
8	DWSS Intikhab Koroona Lilownai	20-10-2016	20-04-2017	In Progress	800,000	80,000
9	Sanitation & PCC Sundavi	04-10-2016	04-10-2017	In Progress	1,200,000	120,000
10	DWSS & Storage Tank VC Chakisar	04-10-2016	04-10-2017	In Progress	1,300,000	130,000
11	PCC Landai Road	24-10-2016	24-04-2017	In Progress	6,800,000	680,000
12	PCC road GHS Chakisar	20-10-2016	20-04-2017	In Progress	9,000,000	900,000
13	Protection Wall Ghwarban Khwar Dherai Pir Abad	30-10-2016	30-10-2017	In Progress	3,700,000	370,000
14	Improvement of PCC Road GMS Awari Bingalai	24-10-2016	24-04-2017	In Progress	10,000,000	1,000,000
15	Kacha Road BHU Dherai	15-03-2017	15-09-2017	In Progress	3,000,000	300,000
<b>Total</b>						<b>4,261,000</b>